

Agency Overview

The Public Employee Retirement System of Idaho (PERSI) was created in 1963, and was funded by the Idaho Legislature in 1965. Since that time, PERSI has offered a defined benefit plan to provide a secure, long-term retirement benefit for career public service employees. The agency is directed by a five-member Retirement Board, each appointed by the Governor for 5 year terms. The Board maintains fiduciary responsibility for investment policy, asset allocation, the selection of individual investment managers, post-retirement increases (cost of living adjustments), and setting the contribution rates.

PERSI administers five pension funds: two defined benefit retirement plans - the PERSI Base Plan and the Firefighters' Retirement Fund (FRF), and three defined contribution plans - the PERSI Choice Plans 401(k) and 414(k) and the Sick Leave Insurance Reserve Fund. The Choice Plan 401(k) is somewhat unique to the public sector. PERSI obtained permission from the Internal Revenue Service to expand a grandfathered State 401(k) to all members statewide. While some public employees were familiar with 457 or 403(b) plans, a 401(k) was something new to them. Many members had never had the opportunity to make such pre-tax voluntary contributions to supplement their retirement.

PERSI employs 63 staff, working in three locations: Boise, Pocatello, and Coeur d'Alene. It is headquartered at 607 North 8th Street, Boise, Idaho, 83702. (208) 334-3365.

PERSI Mission Statement:

To provide members and their beneficiaries with reliable, secure, long-term retirement, survivor and disability benefits as specified by law. To assist our members in planning a secure retirement by providing high quality, friendly service, and retirement education and information.

Core Functions/Idaho Code

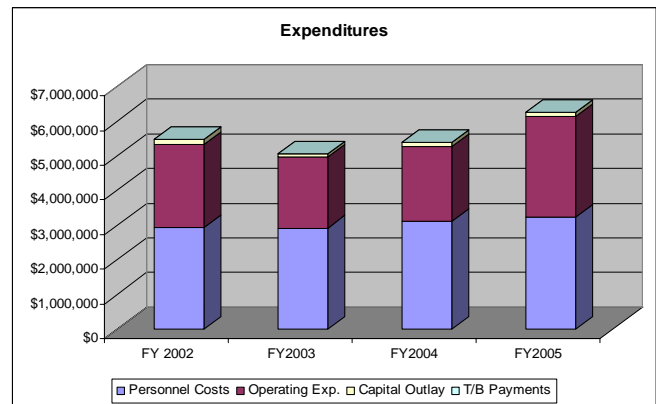
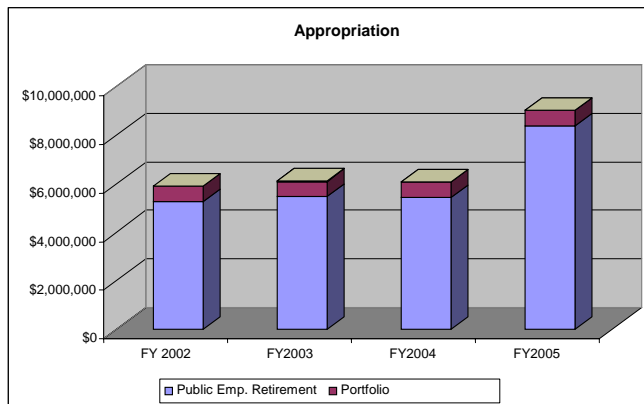
PERSI manages and administers retirement and disability benefits (including a 401(k) defined contribution plan) for public employees in the State of Idaho. Title 59, Chapter 13, Idaho Code.

PERSI manages and administers retirement and disability benefits for the Firefighters' Retirement Fund in the state of Idaho. Title 72, Chapter 14, Idaho Code.

PERSI manages and administers the unused sick leave for public employees in the State of Idaho. Sections 33-1228, 33-2109A and 67-5339 Idaho Code.

Appropriation and Expenditures:

Appropriation	FY 2002	FY 2003	FY 2004	FY 2005
Public Employee Retirement	\$5,260,600	\$5,461,600	\$5,417,000	\$8,362,100
Portfolio	\$645,900	\$628,900	\$636,400	\$649,700
401 K	\$7,700	\$7,700	\$0	\$0
Total	\$5,914,200	\$6,098,200	\$6,053,400	\$9,011,800
Expenditure	FY 2002	FY 2003	FY 2004	FY 2005
Personnel Costs	\$2,919,900	\$2,916,500	\$3,113,200	\$3,231,000
Operating Expenditures	\$2,404,500	\$2,038,600	\$2,162,100	\$2,898,400
Capital Outlay	\$162,900	\$92,000	\$111,800	\$130,500
Trustee/Benefit Payments	\$0	\$0	\$0	\$0
Total	\$5,487,300	\$5,047,100	\$5,387,100	\$6,259,900



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2002	FY 2003	FY 2004	FY 2005
PERSI Statistics				
Number of Active Members	62,376	62,385	63,385	64,391
Number of Retirees	24,018	24,995	26,043	27,246
Choice Plan Employee Contributors	n/a	5,414	8,236	9,557
Employer Units	659	668	675	684
Base Plan Benefits Paid*	\$290.1	\$314.1	\$343.9	\$372.5
Base Plan Assets*	\$6,262.9	\$6,498.7	\$7,648.5	\$8,453.8
Net Return on Investments	-7.1%	3.7%	18.11%	10.7%

* Millions

Cases Managed and/or Key Services Provided	FY 2002	FY 2003	FY 2004	FY 2005
PERSI Services				
Retirement Estimates Calculated	7,985	7,556	7,760	7,802
Separation Benefits Paid (Cashed Out)	8,431	7,233	5,293	4,711
Members Receiving Retirement Education*	4,643	5,368	4,739	4,120
Retirement Applications Processed	535	532	535	531
Disability Applications Processed	131	169	200	160
Employer Payroll Reports Processed	n/a	n/a	11,850	13,380

*Calendar year

Performance Highlights

Major Initiative: In 2004, PERSI initiated a major multi-year Business Process Reengineering project to improve and enhance the agency's customer service delivery system to meet the growing demand for services from an aging membership. By restructuring the organization, the agency is better positioned to meet the growing needs of the members and employers well into the future. Three primary operating areas have been established: the PERSI Answer Center, PERSI Processing Center, and the Employer Service Center. Administration, Portfolio, and Communications round out the PERSI operations.

Customer Service: In the area of customer service during the past 12 months, members gave PERSI an *overall approval rating of 90 percent*. 1) Members who applied for disability retirement rated their experience with PERSI at 96 percent satisfaction. 2) Members who applied for loans from their Choice Plan 401(k) rated their experience with PERSI at 93 percent satisfaction. 3) Members who applied for retirement rated their experience with PERSI at 97 percent satisfaction. 4) Members involved in a Choice Plan 401(k) rollover rated their experience with PERSI at 86 percent satisfaction. 5) Members who separated from PERSI rated their experience with PERSI at 87 percent satisfaction. Employers rated their overall experience with PERSI at 94 percent.

Funding Status: PERSI's objective is to accumulate sufficient assets to ensure there will be funds available to meet current and future benefit obligations to members on a timely basis. As of June 30, 2005, the PERSI Base Plan has succeeded in funding 93.2 percent of the Actuarial Accrued Liability. The remaining unfunded amount is being systematically funded over 7.3 years as part of the contribution required by the Retirement Board.

For More Information Contact

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